REVISED NOTICE OF PREPARATION

July 28, 2006

Date:

| То: | State Clearinghouse Responsible Agencies Trustee Agencies Interested Parties – (Refer to Attached Mailing List) | | | |
|--|--|--|--|--|
| Subject: | Revised Notice of Preparation (NOP) of a Draft Environmental Impact Report | | | |
| Lead Agency: | Placer County Planning Department 3091 County Center Drive Auburn, CA 95603 Telephone: (530) 886-3000 Fax: (530) 886-3080 Email: Ijlawren@placer.ca.gov | | | |
| Project Title: | Riolo Vineyard Specific Plan | | | |
| Project Applicant: | PFE Investors, LLC | | | |
| The Placer County Planning Department will be the Lead Agency and will prepare an Environmental Impact Report for the project identified below. We need to know your views as to the scope and content of the environmental information, which is germane to your interests or statutory responsibilities in connection with the proposed project. If you represent an agency, your agency will need to use the EIR prepared by our agency when considering your permit(s) or other approvals for the project. | | | | |
| | mandated by State law, your response should be sent at the earliest ater than August 29, 2006 . | | | |
| | conse to ANN BAKER, PRINCIPAL PLANNER, at the address equest the name of a contact person for your agency. | | | |
| Date:July 28, 20 | O6 Signature: Onn Baken | | | |
| | Title: Principal Planner | | | |
| Reference: California Code of Regulations, Title 14 (CEQA Guidelines) Sections 15082(a), 15103, 15375. | | | | |

1.0 NOTICE OF PREPARATION INFORMATION SHEET

Project Title

Riolo Vineyard Specific Plan

Project Location

Placer County, on the north side of PFE Road between Watt Avenue on the west, Walerga Road on the east, and Dry Creek on the north.

Lead Agency and Address

Placer County Planning Department 3091 County Center Drive Auburn, CA 95603

Contact Person

Ann Baker, Principal Planner Telephone: (530) 745-3136

Project Description

Specific Plan and related entitlements allowing for the development of up to 932 residential units at a variety of densities on approximately 527.5 gross acres, including agricultural and open space areas, recreational and park amenities and public streets, facilities and infrastructure.

Project Applicant

PFE Investors, LLC 2251 Fair Oaks Blvd., Ste 300 Sacramento, CA 95835 Telephone: (916) 929-2900

Declaration:

The Placer County Planning Department has determined that the above project may have a significant effect on the environment and therefore requires the preparation of an environmental impact report (EIR). The determination is based upon the attached Initial Study and the following finding:

- A. The project may degrade environmental quality, substantially reduce habitat, cause a wildlife population to drop below self-sustaining levels, reduce the number or restrict the range of special-status species, or eliminate important examples of California history or pre-history and/or;
- B. The project has the potential to achieve short term, to the disadvantage of long-term, environmental goals, and/or;
- C. The project may have impacts that are individually limited, but cumulatively considerable, and/or

- D. The project may have environmental effects that will cause substantial adverse effects on human beings, either directly or indirectly, and/or
- E. Evidence exists that the project will have a negative or adverse effect on the environment

Written comments shall be submitted no later than 30 days from the posting date.

Submit comments regarding this NOP by or before August 29, 2006 to:

Ann Baker Placer County Planning Department 3091 County Center Drive Auburn, CA 95603

Or by email to:

abaker@placer.ca.gov

Public Scoping Meeting

A public scoping meeting was held on Wednesday, October 5, 2005, after the initial Notice of Preparation was released to the public on September 1, 2005. No further public meetings are scheduled for the proposed project at this time.

2.0 INTRODUCTION

2.1 Introduction and Regulatory Guidance

This document is an Initial Study that provides notification of preparation of an Environmental Impact Report (EIR) for the Riolo Vineyard Specific Plan and related entitlements (the "Project"). This Revised Notice of Preparation (NOP) has been prepared in accordance with the California Environmental Quality Act (CEQA), Public Resources Code §21000 et seq., and the State CEQA Guidelines, 14 Cal. Code of Regs. §15000 et seq. This Revised NOP for the proposed Riolo Vineyard Specific Plan project has been prepared to reflect updated information provided by the Applicant and related changes to the project description. The State Clearinghouse Number (SCH) assigned to the project is 2005092041.

An Initial Study is conducted by a Lead Agency to determine if a project may have a significant effect on the environment (CEQA Guidelines §15063). An EIR must be prepared if an Initial Study indicates that the proposed project under review may have a significant impact on the environment. A Negative Declaration may be prepared instead, if the Lead Agency prepares a written statement describing the reasons why a proposed project would not have a significant effect on the environment, and therefore does not require the preparation of an EIR. According to CEQA Guidelines §15064, an EIR shall be prepared for a project when a fair argument can be made, based upon substantial evidence, that the project may have a significant effect on the environment.

2.2 Lead Agency

The Lead Agency is the public agency that has the principal responsibility for carrying out or approving a proposed project. CEQA Guidelines §15051 provides that if a project will be carried out by a non-governmental person or entity, then the Lead Agency shall be the public agency with the greatest responsibility for supervising or approving the project as a whole.

Placer County is responsible for reviewing and approving this development and is therefore the Lead Agency for the project.

2.3 Terminology Used in this Document

This document, including the Initial Study, uses the following terminology to describe various levels of significance associated with project-related environmental impacts:

Potentially Significant Impact: An impact that may have a "substantial, or potentially substantial, adverse change in any of the physical conditions within an area affected by the project" (CEQA Guidelines §15382). The existence of a potentially significant impact requires the preparation of an EIR with respect to that impact.

Less Than Significant With Mitigation Incorporated: An impact that could be reduced to a level of Less Than Significant with the implementation of feasible mitigation measures.

Less Than Significant Impact: An impact that is less than significant and does not require the implementation of mitigation measures.

No Impact: The project will not have any impact and does not require the implementation of mitigation measures.

2.4 Additional Information and Comments

In order to obtain additional information regarding this project, to review studies or reports referenced in this NOP, or to comment on this document, please contact or direct correspondence to:

Ann Baker Placer County Planning Department 3091 County Center Drive Auburn, CA 95603

Or by email to:

abaker@placer.ca.gov

3.0 PROJECT DESCRIPTION

3.1 Project Location

The Plan Area is comprised of approximately 527.5 acres located in the southern portion of Placer County, north of PFE Road between Watt Avenue to the west and Walerga Road to the east. The northern boundary of the Plan Area is Dry Creek. The Plan Area is located almost immediately north of the Placer County/Sacramento County boundary, approximately 15 miles northeast of the metropolitan area of Sacramento and four and one-quarter miles west of Interstate 80. The primary vehicle access to the project site is from PFE Road and Watt Avenue.

The site is located within Section 7 of Township 10 North, Range 6 East and Section 12 of Township 10 North, Range 5 East, Mount Diablo Base and Meridian as depicted on the Citrus Heights and Rio Linda Quadrangles of the United States Geological Survey Topographical Maps. Please see Figure 1.

3.2 Site Characteristics

The topography of the Specific Plan area ranges from elevations of approximately 120 feet in the southeast to approximately 80 feet in the northwest. The project site is characterized by an upland area in the southern portion and floodplain in the northern portion. The topography displays a pronounced edge of the upland area against the floodplain. Existing slopes range from 10 to 20 percent along this edge. Interior to the upland area slopes vary between 1 and 5 percent.

The floodplain area is associated with Dry Creek. The Dry Creek riparian corridor is heavily vegetated, although the remainder of the floodplain area is more lightly vegetated with native and exotic grasses being predominant. A portion of the floodplain area near the center of the site is planted with a vineyard. The upland areas of the site are sparsely vegetated with native and exotic grasses being the predominant flora, along with an abandoned almond orchard near the center of the site. Most of the existing trees in the upland area are present along the perimeter of the site along Watt Avenue, Walerga Road, or PFE Road. Many of the remaining trees are near the central portion of the site.

The site is developed with two residential ranch house dwellings and related barn/outbuilding structures.

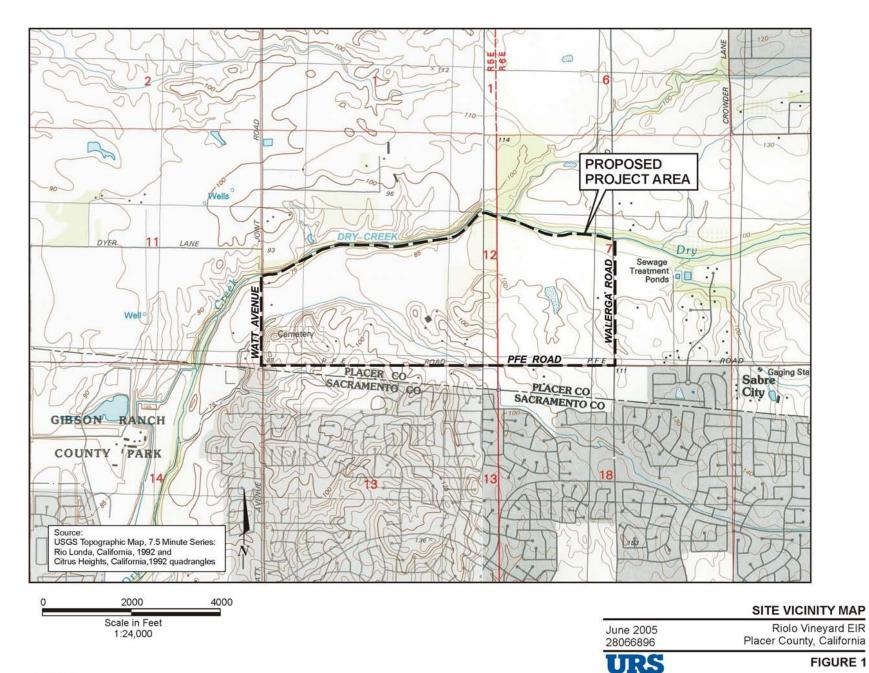
3.3 Surrounding Land Uses

Land to the south and to the east of the Plan Area is currently designated by the Dry Creek/West Placer Community Plan as residential, including the existing high-density mobile home development of Sabre City. To the north, Dry Creek is protected from development and preserved as open space, with land to the immediate north of Dry Creek and west of Walerga Road consisting of the Doyle Ranch residential development.

Recently approved residential and other types of development located near the Plan Area include the Doyle Ranch and Morgan Creek subdivisions to the north and east respectively. The Placer Vineyards Specific Plan (proposed) area lies to the north and west of the Plan Area, across Dry Creek.

3.4 Project Background

The project site is within the Dry Creek West Placer Community Plan Area. The Community Plan was adopted in 1990. The Community Plan envisioned low-density single-family residential development at the project site. Subsequent to the adoption of the Community Plan, it has been recognized that current growth patterns would likely result in unnecessary conversion of outlying agricultural and open space areas to urban use if residential densities in newly developed areas are not gradually increased. The Riolo Vineyard plan would increase residential densities in an area already designated for urban growth and development, which will lessen pressure for sprawl development in outlying areas.



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Land use designations applicable to the site include LDR – Low Density Residential (1 to 2 du/ac), C – Commercial, and O – Open Space and Green Belt. The portion of the project site corresponding to the LDR designation under the Community Plan is designated RS-AG-B-20-DR PD, which indicates the following:

RS = Single Family Residential

AG = Agriculture Combining Zone, permitting existing agricultural use

B-20 = Minimum 20,000 square foot lot size

DR = Development Reserve (requires approval of Specific Plan)

PD = Planned Residential Development

The LDR designation under the Community Plan permits a range of development densities from 1 to 2 units per acre (1/2- to 1-acre minimum lot size). Under this density level, a maximum of approximately 1,020 units could be permitted on the project site as a whole, on a gross acreage basis. However, the Community Plan recognizes that the Dry Creek floodplain is wide, rendering sizable areas within the Specific Plan area unsuitable for development. As a tool to protect the Dry Creek floodplain from development, the Community Plan permits residential density to be transferred from the floodplain area and used on adjoining lands, allowing for a significant increase in density on lands outside the floodplain, without increasing the overall density allowed in the plan area.

3.5 Description of the Project

3.5.1 Land Use Concept

The applicant proposes development of a maximum of 772 residential units consisting of low-, medium-, and high-density development as well as rural and agricultural residences. It is expected that other landowners within the Specific Plan area will additionally develop approximately 120 medium-residential units (APN 023-200-057) and approximately 40 low-density residential units (APN 023-220-063). This would amount to a total of 932 projected units for the Specific Plan area.

Currently, the Community Plan provides that minimum lot sizes in LDR-designated areas shall not be less than 12,000 to 15,000 square feet (with approval of a Planned Unit Development) and allows up to 20 percent of lots to be a minimum of 10,000 square feet in area. It has been estimated that the Community Plan would permit 650 residential units within the area it has designated as LDR. The Community Plan definition of LDR applicable to the project site is proposed to be amended to modify the maximum lot area requirements to allow residential lots smaller than 12,000 to 15,000 square feet and to allow greater than 20 percent of the residential lots on the project site to be smaller than 10,000 square feet in area. The density transfers allowed under the Community Plan permit residential density to be transferred from the floodplain area to be used on adjoining lands, thus allowing for a substantial increase in density on lands outside the floodplain.

The Specific Plan also provides over 29 percent of the site for open space, pedestrian corridors, trails, parks and recreation areas, plus an additional 6 percent of the site for agricultural use. In addition, the Specific Plan will expand the Roseville Cemetery by providing for a total of approximately 4.8 acres of land for cemetery use, which would more than double the area of the existing cemetery.

The natural open space along the Dry Creek corridor will be preserved with a trail system planned along its southern edge. Within the open space areas will be a trail system connecting the residential communities to the Dry Creek corridor trail. The Specific Plan

provides for buffers to protect sensitive habitat areas along the Dry Creek corridor, as well as recreation facilities that allow residents a place to gather and interact among themselves and/or with the surrounding natural open space.

The Specific Plan provides residential development at a range of densities along with neighborhood park and public facilities, while preserving scenic and open space resources along the Dry Creek corridor. The Specific Plan provides a choice of medium and high-density housing to contribute to Placer County's efforts to provide affordable housing.

Table 1 provides a summary of proposed land uses under the Specific Plan.

3.5.2 100-Year Floodplain

As proposed, some sections of the Specific Plan's development will encroach into the 100-year floodplain associated with Dry Creek. The Applicant will fill in these portions of the floodplain for development purposes. Figure 2 provides an illustration of the existing floodplain boundaries within the project site. It also depicts an overlay of where the Applicant proposes to fill in the floodplain. The EIR will examine the Specific Plan's development, as proposed. The EIR will also examine an alternative that would not encroach into the 100-year floodplain and include no agricultural -residential land uses and would reduce density.

3.5.3 Circulation

The project site is located between two sub-region serving arterials (Watt Avenue and Walerga Road) and will contribute toward the widening of these arterials to their ultimate planned width. Primary vehicle access to the project site will be from Watt Avenue, PFE Road, and Walerga Road, with access to residential communities and park areas provided by an internal network of residential streets and cul-de-sacs.

It is anticipated that future residents of the Riolo Vineyard community will primarily rely upon personal motor vehicles as the means of transportation. However, by providing a mix of residential product types, including medium- and high-density communities, the Specific Plan will support the availability of transit to serve the area. In addition, the Specific Plan facilitates on-site circulation by pedestrians and bicyclists through a network of walkways, trails and bike paths connecting residential communities to neighborhood parks and to one another. The Specific Plan will improve trail facilities along Dry Creek to complement a regional recreation corridor.

3.5.4 Utilities and Service Systems

3.5.4.1 Sanitary Sewers

The site lies within the sewer service area of the Dry Creek Waste Water Treatment Plant (WWTP), which is owned and operated by the City of Roseville. To serve the site, it will be necessary to construct gravity sewer lines within the community that will flow generally to the west. A lift station and force main will need to be constructed to send the sewer back to the east, where it will tie into an existing lift station and force main system previously constructed by the Dry Creek CFD. The existing lift station will require modest upgrades and the existing force mains are assumed to have adequate capacity to the Dry Creek WWTP. The Dry Creek WWTP has adequate capacity to serve the project site, although additional analysis of impacts to this facility is anticipated.

TABLE 1: LAND USE SUMMARY FOR RIOLO VINEYARD SPECIFIC PLAN:

| Use | Typical Lot Size | Units | Acres | % of Total Area * | |
|--|----------------------------------|-------|-------|----------------------|--|
| Residential (PFE Investors) | | | | | |
| Low-Density Residential | 5,500 square foot lots or larger | 536 | 156.5 | 29.8% | |
| Medium-Density Residential | 2,000-5,499 square foot lots | 156 | 23.6 | 4.5% | |
| High-Density Residential | N/A | 70 | 3.1 | 0.6% | |
| Rural Residential | 2-acre minimum | 2 | 5.0 | 1.0% | |
| Agricultural Residential | 10-acre minimum | 8 | 80.0 | 15.2% | |
| Residential Total | | 772 | 268.2 | 51.0% | |
| Other Residential | | | | | |
| Medium-Density Residential (Frisvold) | 2,000-5,499 square foot lots | 120 | 10.8 | 2.1% | |
| Low-Density Residential (Lund) | 10,000-12,000 square foot lots | 40 | 35.3 | 6.7% | |
| Other Residential Total | | 160 | 46.1 | 8.8% | |
| Agricultural | | | | | |
| Agricultural | N/A | N/A | 29.2 | 5.6% | |
| Agricultural Total | | | 29.2 | 5.6% | |
| Commercial | | | | | |
| Commercial | N/A | N/A | 6.9 | 1.3% | |
| Commercial Total | | | 6.9 | 1.3% | |
| Open Space and Recreation | | | | | |
| Open Space | N/A | N/A | 126.5 | 24.1% | |
| Landscape Corridors | N/A | N/A | 16.8 | 3.2% | |
| Parks and Recreation | N/A | | 12.3 | 2.3% | |
| Open Space and Recreation Total | | | 155.6 | 29.6% | |
| Public or Quasi-Public Uses | | | | | |
| Cemetery | N/A | N/A | 4.8 | 0.9% | |
| Major roads | N/A | N/A | 13.1 | 2.5% | |
| Sewer lift station/Recycled water facility | N/A | N/A | 1.0 | 0.2% | |
| SMUD substation | N/A | N/A | 0.5 | 0.1% | |
| Public or Quasi-Public Total | | | 19.4 | 3.7% | |
| Project Area Total | | 932 | 525.4 | 100% | |

N/A = not applicable

3.5.4.2 Storm Drainage

Storm drainage for the project site would drain to Dry Creek with a pre-treatment component prior to discharge. It is assumed that pre-treatment will consist of grassy swales with sedimentation basins or water quantity control vaults.

^{*} Percentages may not add up to exactly 100% because of rounding.

3.5.4.3 Water

Potable Water

The Placer County Water Agency (PCWA) is anticipated to provide water to the project site with the retail purveyor being California American Water Co. (formally Citizens Utility Co.). PCWA would initially serve the site through their diversion on the American River at Auburn. PCWA is currently developing a permanent pump facility at that location which is scheduled to come on line in January 2008. During dry years, PCWA may use groundwater to supplement the potable water for the plan area.

It is assumed that the project will need to tie into an existing 16-inch line in Walerga Road and extend that line around the perimeter of the site in Walerga Road, PFE Road and Watt Avenue.

Recycled Water

Recycled water is proposed for landscape irrigation of parks and common areas where feasible, from a line to be extended from east to west through the project site. The EIR will analyze the two supply alignment options proposed by the Specific Plan. Both options would connect to the terminus of the City of Roseville's Dry Creek WWTP's 24-inch gravity recycled water pipeline. One alignment option would travel west from the terminus along Dry Creek to an on-site storage tank. The second option would travel south on Walerga Road, turn west at one of the site's proposed roads, through the project area to connect to the on-site storage tank. Both options would require the construction of a new pump station and force main to connect at the terminus of the existing 24-inch gravity recycled water pipeline that is supplied by the City of Roseville's Dry Creek WWTP. This terminus is located south of Dry Creek, a short distance east of Walerga Road.

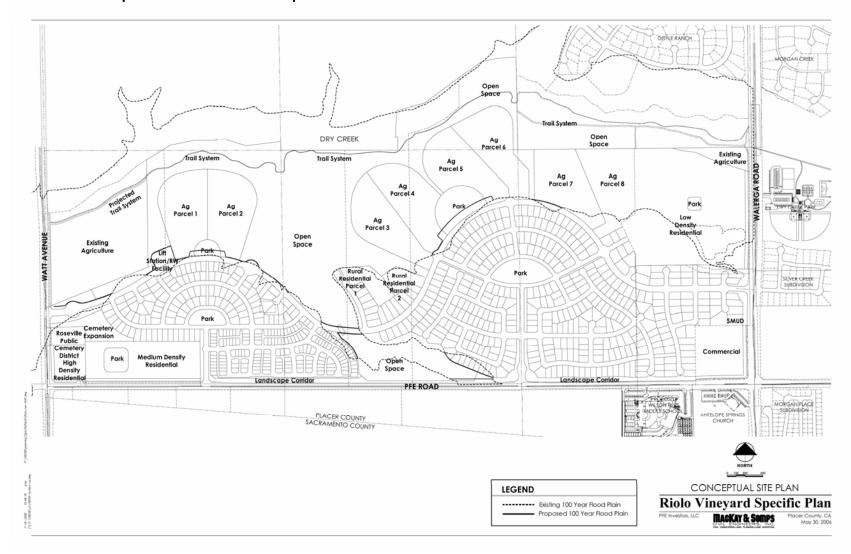
3.5.4.4 Electrical Service

The Sacramento Municipal Utility District (SMUD) provides electricity to limited areas of Placer County and is projected to be the electrical power provider for the proposed project. SMUD has requested that the southeast portion of the project site be reserved for an electric substation. Placer County and SMUD will be undergoing discussions to pinpoint the specific location within the project site for this substation.

3.5.4.5 Affordable Housing

Placer County is taking steps to ensure that affordable housing be available to lower-income residents. The Affordable Housing Compact was adopted by resolution by the Board of Supervisors in May 2004. As an implementing ordinance is currently not in place, the 10% requirement (4% very low, 4% low and 2% moderate income) may become part of a development agreement for the Riolo Vineyard Specific Plan.

FIGURE 2: Conceptual Site Plan with Floodplain Boundaries



3.5.4.6 Urban/Agricultural Interface

Policies in Placer County's General Plan (1994) note that new non-agricultural development adjacent to agricultural lands must be carefully planned. The proposed project would place new non-agricultural parcels adjacent to existing agricultural parcels. The phasing plan includes staggered development of the parcels on the site. As a result of this phasing, it is likely that some parcels may undergo development before others. A temporary situation may arise where there will be parcels undergoing construction that are immediately adjacent to parcels currently being used for agricultural purposes.

3.5.4.7 Property under Williamson Act Contract

The proposed Specific Plan area includes a 15.0 (gross) acre parcel (APN 023-200-057), which includes one residential dwelling unit and is under a Williamson Act contract. The property owner has filed a Notice of Non-Renewal of the Williamson Act contract and intends to cancel the contract. The proposed project includes a request for a Medium-Density Residential designation for the General Plan, Community Plan, Specific Plan and Zoning designations for this parcel. The Draft EIR assumes that upon cancellation, the owner will pursue subdivision of this parcel for no more than 120 medium-density residential units.

3.6 Project Purpose and Objectives

The fundamental objective of the Riolo Vineyard Specific Plan as identified by the Applicant is to provide orderly and systematic development of an integrated full-service residential community in a manner that respects the rural character and natural features of the land consistent with the goals and policies of the General Plan and the Dry Creek West Placer Community Plan. Specific project objectives for the Riolo Vineyard Specific Plan are listed below:

- 1. Conform to the policies of Placer County's General Plan and the Dry Creek West Placer Community Plan which designate the Plan Area for urban development.
- 2. Preserve the scenic Dry Creek riparian corridor and enhance trail connectivity to compliment a regional recreation corridor for bicycle, pedestrian and equestrian users.
- 3. Provide a well-designed residential community with neighborhood identity in close proximity to jobs and services.
- Create a high-quality development containing a mix of residential, open space and recreational land uses in an overall design that advances "smart growth" principles.
- 5. Provide for increased residential densities in areas presently planned for urban growth and development with accessible infrastructure, consistent with regional growth policies identified in the Sacramento Area Council of Government's *Blueprint for Regional Growth*.
- 6. Incorporate medium and high-density residential development to take advantage of the proximity of the Plan Area to region-serving arterials and support opportunities for transit to serve the area.

- 7. Provide for a full range of housing densities and product choices affordable to all income levels.
- 8. Provide a comprehensively planned project that provides maximum protection of sensitive environmental habitat and resources.
- 9. Create a community that recognizes, respects, and preserves key historic agricultural uses of the Plan Area.
- 10. Provide a variety of active and passive parkland for local and regional public enjoyment.
- 11. Provide a planned infrastructure system with all public facilities and services necessary to meet the needs of development within the Plan Area.
- 12. Create a fiscally responsible and balanced community with a positive revenue flow to the County
- 13. Provide revenue for the maintenance of public open space areas and park facilities, infrastructure and public services.

3.7 Probable Environmental Effects

Implementation of the Specific Plan would potentially impact the project site. Attachment A contains an Initial Study of the site area and summarizes the Specific Plan's probable environmental effects on resource areas, such as traffic, utilities, air quality, and others.

3.8 Project Approvals

Following staff analysis and public review of the Environmental Impact Report, the Riolo Vineyard application will be considered by the Planning Commission. The Planning Commission will consider the EIR, Specific Plan, and Vesting Large and Small Lot Tentative Subdivision Maps. The Planning Commission will provide comments and a recommendation for final action on these requested entitlements to the Board of Supervisors. The Board of Supervisors is the approving authority for the proposed project.

The proposed project will require the following approvals prior to construction:

- 1. Certification of a Final EIR and adoption of a Mitigation Monitoring and Reporting Program.
- 2. Adoption of the Specific Plan,
- 3. Amendments to the Dry Creek/West Placer Community Plan, to include but not limited to:
 - Community Plan amendment to allow development in floodplain
 - Community Plan amendment to modify minimum lot area requirements of LDR units in project site
 - Community Plan amendment to allow for an exception to the Levels of Service on County roads
- 4. Approval of a Development Agreement
- 5. Zoning Amendments to conform with adopted Specific Plan
- 6. Approval of a Vesting Large Lot Subdivision Map,
- 7. Approval of one or more Vesting Small Lot Tentative Subdivision Maps,
- 8. Floodplain Development Permit,

- 9. Tree Removal Permit, and
- 10. Cancellation of the existing Williamson Act contract.

In addition to the approvals required from Placer County, development under the Specific Plan may require approvals from the following state and federal agencies:

- U.S. Army Corps of Engineers Clean Water Act Section 404 Permit
- U.S. Fish and Wildlife Service Section 7 consultation
- Federal Emergency Management Agency Letter of Map Revision (LOMR)
- Regional Water Quality Control Board Section 401 Water Quality Certification
- State Department of Conservation Approval of Williamson Act contract cancellation (if initially approved by the County)
- State Department of Water Resources Water and Wastewater Service District Plan
- State Water Resources Control Board Storm Water Discharge Permit

Attachment A

Initial Study for Riolo Vineyard Specific Plan